

SECTION B
SUPPLIES OR SERVICES AND PRICES/COSTS

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SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 TYPE OF CONTRACT

This is a Cost-Plus Award-Fee Contract, with award and multiple fee incentives. The various incentive fee types are described in Clause B.5, "Incentive Fee Structure."

B.2 ITEM(S) BEING ACQUIRED

- (a) The Contractor shall, in accordance with the terms of this Contract, provide the personnel, materials, supplies, and services (except as may be expressly set forth in this Contract as furnished by the Government) and otherwise do all things necessary and incident to designing, constructing, and commissioning the Hanford Tank Waste Treatment and Immobilization Plant (WTP) as described in Section C, "Statement of Work." The WTP has five separate facilities: Pretreatment (PT) Facility, High-Level Waste (HLW) Facility, Low-Activity Waste (LAW) Facility, Analytical Laboratory (LAB), and Balance of Facilities (BOF). LAW, BOF, and LAB are known collectively as LBL.
- (b) For purposes of cost collection, reporting, and administration of the Contract fee structure the parties have agreed to establish separate Contract Line Item Numbers (CLIN) for sections of the work under the contract.
- (c) The following is a current listing of CLINs:
 - (1) CLIN 1.0 – Design, Construct, and Commission LBL in the Direct-Feed Low-Activity Waste (DFLAW) configuration
 - (2) CLIN 2.0 – WTP Facility Modifications necessary to support DFLAW
 - (i) Sub-CLIN 2.1 DFLAW Design
 - (ii) Sub-CLIN 2.2/2.3 DFLAW Procurement/Construction
 - (3) CLIN 3.0 – Currently HLW facility work is being performed under interim work plans that address the funding made available by DOE for this purpose. Interim work plans and changes to the plans are implemented using the Contractor's trend process and are approved by DOE.
 - (4) CLIN 4.0 – Currently PT facility work is being performed under interim work plans that address the funding made available by DOE for this purpose. Interim work plans and changes to the plans are implemented using the Contractor's trend process and are approved by DOE.
 - (5) The Contractor shall continue to perform PT Facility and HLW Facility scope as directed under interim work plans. Estimated cost and fee for work to be performed after the current period of performance for completion of HLW Facility and PT Facility with the associated support costs (i.e., Project Services), is not included in Modification No. 384.

B.3 OBLIGATION AND AVAILABILITY OF FUNDS AND CONTRACT VALUE

- (a) Subject to Clause I.66, "FAR 52.232-22 Limitation of Funds (Apr 1984)," the amount presently obligated under this Contract is shown in the following table. Nothing in this paragraph or in the clause entitled *Limitation of Funds* is to be construed as authorizing the Contractor to exceed limitations stated in the following table established by DOE and furnished to the Contractor from time-to-time under this Contract. The following table establishes controls on the costs to be incurred and encumbrances to be made in the performance of the Contract work.

BUDGETARY CONTROL POINTS FOR WTP PROJECT				
Description	Appropriation Symbol	B&R No. (Control Point)	Local Use Code	Budget Authority
	1250	1110401		\$3,006,205,907.70
LAW	1250	1111183		\$637,537,062.71
LAB	1250	1111184		\$207,817,505.32
BOF	1250	1111185		\$261,722,260.48
HLW	1250	1111186		\$559,580,100.04
PT	1250	1111187		\$840,766,807.09
LAW	1250 and 1260	1111241		\$1,691,548,709.50
DFLAW	1250 and 1260	1111243		\$157,063,073.13
LAB	1250 and 1260	1111242		\$349,312,452.11
BOF	1250 and 1260	1111243		\$648,031,980.05
HLW	1250 and 1260	1111244		\$1,029,273,076.81
PT	1250 and 1260	1111245		\$1,526,044,506.86
LAW Baseline	1260	1111710	0421573	\$892,237,273.19
LAB Baseline	1260	1111710	0421574	\$120,127,262.70
BOF Baseline	1260	1111710	0421575	\$410,272,538.73
EMF Baseline	1260	1111711	0421586	\$583,258,352.75
HLW Baseline	1260	1111714	0421587	\$149,654,356.52
PT Baseline	1260	1111716	0421588	\$40,758,149.03
LAW COVID	1260	1111710	0421573	\$24,578,699.03
LAB COVID	1260	1111710	0421574	\$4,446,716.49
BOF COVID	1260	1111710	0421575	\$13,091,795.47
EMF COVID	1260	1111711	0421586	\$14,479,080.37
HLW COVID	1260	1111714	0421587	\$5,921,281.65
PT COVID	1260	1111716	0421588	\$951,815.87
LAW Fee	1260	1111712	0421573	\$106,660,674.00
LAB Fee	1260	1111712	0421574	\$16,096,000.00
BOF Fee	1260	1111712	0421575	\$21,276,441.30
HLW Fee	1260	1111715	0421587	\$4,284,932.00
PT Fee	1260	1111717	0421588	\$4,402,416.00
Subtotal - Budgetary Controls Points for WTP Project thru Contract Modification No. 507				\$13,327,401,226.90
BUDGETARY CONTROL POINTS FOR PROGRAM DIRECTION				
Description	Appropriation Symbol	B&R No. (Control Point)	Budget Authority	
PD	1250	1110462	\$1,280,000.00	
PD	1250	1110458	\$1,210,000.00	
Subtotal - Budgetary Controls Points, including Project Direction, thru Contract Modification No. 507				\$13,329,891,226.90
INTER-ENTITY WORK ORDER FUNDING				
IEWO Identification Numbers		IEWO Amendment No.	Funding	
M0SRLE60 Funding (SRNS/SRNL)		40	\$73,957,217.82	

M0SRV00028 Funding (SRNS)	43	\$7,056,600.30
M0SRV00036 Funding (WSRC)	3	\$69,807.36
M0SRV00042 Funding (ORNL)	2	\$27,599.05
M0IDV00061 Funding (BEA)	1	\$21,277.60
M0ORV00088 Funding (ORNL)	2	\$150,848.30
M0NSV00089 Funding (SNL)	1	\$18,030.68
M0SRV00105 Funding (SRNS)	10	\$4,207,471.24
M0FTV00117 Funding (NETL)	4	\$410,000.00
89303918FEM400008 Funding (UNITECH)	10	\$130,000.00
Total - IEWO Funding 497		\$86,048,852.35
REQUEST FOR SERVICE FUNDING		
RFS Number	Supplement No.	Funding
M14009 Funding (MSA)	0	\$16,446.00
Total – RFS Funding 367		\$16,446.00
Total Budgetary Control Points for WTP Project 507		\$13,415,956,525.25

BEA = Battelle Energy Alliance	SRNL = Savannah River National Laboratory.
NETL = National Energy Technology Laboratory.	SRNS = Savannah River Nuclear Solutions.
ORNL = Oak Ridge National Laboratory.	WSRC = Washington Savannah River Company.

Inter-Entity Work Orders (IEWO) have been established for work under this Contract performed at the Savannah River site by the Management and Operating contractors Washington Savannah River Company (WSRC), Savannah River Remediation (SRR), Savannah River Nuclear Solutions (SRNS), and the Savannah River National Laboratory (SRNL) on behalf of the Contractor. The work description for these IEWOs is to conduct experimental studies for flow sheet verification, optimization, integration, and scale up in support of the technical basis for design and operation of the Hanford River Protection Project Waste Treatment Plant. **(153)**

The Government owns the IEWO process; therefore, all funding under these IEWOs is approved by the DOE Office of River Protection (ORP) and work is conducted under the Contractor's management direction. At the Contractor's request, DOE has transferred work authority as shown in the table above. This total IEWO funding transfer is reflected in funding amounts shown in the above table, and counts toward meeting ORP Contract funding requirements set forth elsewhere in this Contract. **(153)**

- (b) Except as may be specifically provided to the contrary in this Contract (Clause I.110, "DEAR 952.250-70 Nuclear Hazards Indemnity Agreement (Jun 1996)") the duties and obligations of DOE hereunder calling for the expenditure of appropriated funds shall be subject to the availability of funds appropriated by the U.S. Congress that DOE may legally spend for such purposes.
- (c) The Total Estimated Contract Price is determined in Table B.1 as follows:

Table B.1 – Total Estimated Contract Price

		Cost		
Total Estimated Contract Cost (TECC) through Mod No. 505				\$14,087,658,024.13
Total Estimated Contract Cost (502)		CLIN Estimated Cost	Increased/ Decreased by Mod 506	Total CLIN Estimated Cost
B.1	CLIN 1.0: Design, Construct, and Commission LBL in the DFLAW Configuration	\$6,393,078,870.13	\$420,000.00	\$6,393,498,870.13
B.2	CLIN 2.0: WTP Facility Modifications Necessary to Support DFLAW			
	Sub-CLIN 2.1: DFLAW Design (Target Cost)	\$76,359,283		\$76,359,283
	Sub-CLINs 2.2 /2.3 DFLAW Procurement/ Construction	\$481,157,678 (Previous NTE Values)		\$481,157,678
B.3	CLIN 3.0 HLW Facility	\$2,741,179,982		\$2,741,179,982
B.4	CLIN 4.0: PT Facility	\$4,395,882,211		\$4,395,882,211
Revised Total Estimated Contract Cost (TECC) through Mod No. 506				\$14,088,078,024.13
Fee				
		Available	Earned	Total
Earned before Mod No. 384				
A1	Final Fee Determination – Pre-Mod No. A143		\$102,622,325	
A2	Final Fee Earned Mod No. A143 – Mod No. 384		\$131,573,553	
Fixed Fee Payment (Attachment B-2-C)***		\$0	\$60,000,000	
Pending Activity Milestones (Attachment B-2-B)		\$0	\$6,667,000	
Maximum Available Award Fee (CY 2016–2022) (Attachment B-2-D)		\$23,617,811	\$19,818,954.28	
CLIN 1.0: Design, Construct, and Commission LBL in the DFLAW Configuration				
E1	LBL Construction Complete Performance Based Incentives (Attachment B-2-E)	\$0	\$65,400,000	
E2	Commission LBL in the DFLAW Configuration Performance Based Incentive (Attachment B-2-F)	\$139,650,000	\$19,950,000	
E3	Schedule Incentive Hot Commissioning (Attachment B-2-F)	+/- \$60,000,000 (Max)		
E4	Cost Share Incentive (Attachment B-2-G)	+/- \$50,000,000 (Max)		
E5	REA Fee Negotiated After Mod 384 (504)		\$874,957.86	
CLIN 2.1: Performance-Based Incentive for DFLAW Design Completion (Attachment B-2-H)		\$0	\$6,434,076	
Total Maximum Available Fee****		\$163,267,811		
Total Fee Earned (505)			\$413,340,866.14	
Total Estimated Contract Price (TECP) (Total Maximum Available Fee + Total Earned Fee + TECC) (506)				\$14,664,686,701.27

** Estimated cost for interim work plans within the agreed funding profile for CLINs 3.0 and 4.0 is included in Total Estimated Contract Cost (TECC).

*** Payment is in satisfaction of all fee entitlement for work accomplished under the Contract from contract Modification No. A143 through the date of this modification (384) that is not included in A2 above.

**** Exclusive of Cost Share and Schedule Incentives.

B.4 ALLOWABILITY OF SUBCONTRACTOR FEE

If the Contractor is part of a consortium, joint venture, and/or other teaming arrangement, the team shall share in this Contract fee structure (i.e., separate additional "subcontractor fee" for teaming partners will not be considered an allowable cost under this Contract). If a subcontractor, supplier, or lower-tier subcontractor is a wholly owned, majority owned, or affiliate of any team member, any fee or profit earned by such entity will not be considered an allowable cost under this Contract.

B.5 INCENTIVE FEE STRUCTURE

The DOE objective under this Contract is to receive a completed WTP that meets or exceeds the contractual performance requirements. Incentives are structured to ensure a strong financial motivation for the Contractor to achieve Contract requirements.

This Contract has several incentive fee elements. In Section B.12, "Attachments," a more detailed definition and explanation of each incentive fee under this Contract is provided. Below is a short listing of their titles, which corresponds with the Section B.12 title:

- Attachment B-2-A, "Incentive Fee A – Final Fee Determination for Work Prior to Modification No. A143"
- Attachment B-2-B, "Incentive Fee B – Final Fee Determination for Work from Modification No. A143 and Modification No. 384"
- Attachment B-2-C, "Incentive Fee C – Fixed Fee Payment"
- Attachment B-2-D, "Incentive Fee D – Award Fee"
- Attachment B-2-E, "Incentive Fee E – LBL Physical Plant Complete Performance Based Incentives"
- Attachment B-2-F, "Incentive Fee F – Commission LBL in the DFLAW Configuration Performance Based Incentive"
 - Figure B-2-F-1, "Graph CLIN 1.0 Hot Commissioning Schedule Incentive"
- Attachment B-2-G, "Incentive Fee G – CLIN 1.0 Cost Share Incentives"
 - Figure B-2-G-1, "Graph Cost Share Incentive Fee CLIN 1.0"
- Attachment B-2-H, "Incentive Fee H – CLIN 2.1 DFLAW Design Completion Fee"

B.6 EQUITABLE ADJUSTMENTS TO COST, PERFORMANCE INCENTIVES, SCHEDULE, AND FEES

- (a) Equitable adjustments to the cost, performance incentives (including fees) and the Schedule will be made when required in accordance with the Section I, Clause I.82, "FAR 52.243-2 Changes – Cost-Reimbursement (Aug 1987) – Alternate III (Apr 1984)," and as expressly provided in other Contract provisions.
- (b) For purposes of Contractor planning, the following table sets forth a funding profile with an assumption that for each fiscal year, at least 25 percent will be made available by October 31, 50 percent by January 31, 75 percent by April 30, and the remainder by July 31. The clause places no obligation on DOE to request funding in accordance with the profile. Significant deviations occurring 30 days after the dates specified above, to the funding profile, either positive or negative, may give rise to an adjustment pursuant to the changes clause.

Projected funding profile for the contract is as follows:

Fiscal Year	Budget Authority (\$1M)
2001	\$ 348**
2002	\$ 671**
2003	\$ 676**
2004	\$ 682**
2005	\$ 695**
2006	\$ 487**
2007	\$ 614**
2008	\$ 741**
2009	\$ 673**
2010	\$ 690**
2011	\$ 734**
2012	\$ 719**
2013	\$ 600**
2014	\$ 651**
2015	\$ 634**
2016	\$ 660***
2017	\$ 660***
2018	\$ 660***
2019	\$ 660***
2020	\$ 660***
2021	\$ 660***
2022	\$ 660***

Includes Contractor fee.

** Actual Funding Amounts as of Modification No. 384.

*** Reflects projected contract funding only – excludes other DOE non-contract costs.

B.7 INCENTIVE FEE ADMINISTRATION

The Contractor will notify the Contracting Officer when the Contractor believes an incentive fee activity, milestone, and/or performance measure has been met. The Contracting Officer will:

- Make a determination whether the requirements of this Contract have been met;
- Make a determination of whether fee is earned; and
- Notify the Contractor of these determinations within thirty (30) calendar days (or such other time period as mutually agreed to between the Contracting Officer and the Contractor) after receipt by the Contracting Officer of the Contractor's notification.

If the Contracting Officer determines fee has been earned, then the Contractor can invoice for the fee as outlined in the Contracting Officer determination on the next available invoice.

B.8 AWARD FEE ADMINISTRATION

Award Fee

Each Award Fee period will have a Performance Evaluation Measurement Plan (PEMP) as the method to evaluate and determine award fee earned during the respective period. Unearned award fee will not be rolled over from one period to any future period.

(a) Definitions:

Effective January 1, 2015, "Award Fee Evaluation Period" is defined as twelve (12) month evaluation periods from January 1 through December 31 (period 20xx).

(b) Award Fee: Award fee to be established prior to the beginning of each Award Fee period and will be based upon objective project goals for the HLW and PT facilities along with ORP assessment of performance in project management, environmental, safety, health and quality; and other elements as established in the PEMP. The Award Fee Evaluation Period for the Project Management Incentive will be every twelve (12) months of each calendar year, ending in CY 2022.

(c) Fee Negotiations: No later than 30 Days prior to the beginning of each award fee period, the Contracting Officer and Contractor shall enter into negotiation of the requirements to be set forth in the PEMP for the award fee period. In the event the parties fail to agree on the requirements and the evaluation areas, a unilateral determination will be made by the Contracting Officer prior to the beginning of the evaluation period.

(d) Determination of Award Fee Amount Earned:

(1) Performance will be reviewed jointly by ORP and the Contractor each quarter with a final determination of fee at the conclusion of each specified evaluation period. The Government shall evaluate the Contractor's performance of the requirements set forth in the PEMP, including incentives completed during the period, and determine the award fee amount earned for each Award Fee component: Project Management, Cost and ES&H Incentive. At the Contracting Officer's discretion, evaluation of incentivized performance may occur at the scheduled completion of specific incentivized requirements.

(2) The evaluation of Contractor performance shall be in accordance with the requirements in this section and set forth in the PEMP for the requisite time period. The Contractor shall be promptly advised in writing of the fee determination and the basis of the fee determination.

(e) Schedule for Award Fee Amount Earned Determinations: The Contracting Officer shall issue the award fee amount earned determination for each award fee incentive (Project Management Incentive and Cost Incentive) in accordance with the schedule set forth in the PEMP; or as otherwise set forth in this Contract. However, a determination must be made within sixty (60) calendar days after the receipt by the Contracting Officer of the Contractor's self-assessment, if one is provided by the Contractor, or seventy (70) calendar days after the end of the evaluation period, whichever is later, or a longer period if the Contractor and Contracting Officer agree. If the Contracting Officer evaluates the Contractor's performance of specific requirements on their completion, the payment of any earned fee amount must be made within seventy (70) calendar days (or such other time period as mutually agreed to between the Contracting Officer and the Contractor) after Contracting Officer notification of such completion, assuming the Contractor has submitted a voucher for payment within ten (10) calendars days after the Contracting Officer's determination. If the Contractor is delayed in submitting a voucher beyond the ten (10) calendar days, payment will incur a day-for-day delay.

When submitting a voucher for payment of the annual award fee earned (effective with the 2015 PEMP), the Contractor shall first deduct the amount of provisional fee previously paid by the Government for the twelve (12)-month evaluation period. In the event that fee overpayment results from the provisional fee payment provided for in this clause, the Contractor shall reimburse the unearned fee overpayment upon notification from the Contracting Officer in accordance with the Section I, Clause I.65, "FAR 52.232-17, Interest (Jun 1996)."

- (f) Contractor Self-assessment: Following each evaluation period, the Contractor may submit a self-assessment, provided such assessment is submitted within ten (10) calendar days after the end of the period. This self-assessment shall address both the strengths and weaknesses of the Contractor's performance during the evaluation period. Where deficiencies in performance are noted, the Contractor shall describe the actions planned or taken to correct such deficiencies and avoid their recurrence. The Contracting Officer will review the Contractor's self-assessment, if submitted, as part of its independent evaluation of the Contractor's management during the period.
- (g) Provisional Payment of Fee:
 - (1) Notwithstanding any other term or condition of this contract to the contrary, this clause applies to and has precedence over all other terms and conditions of the contract that provide for provisional payment of fee.
 - (2) The Contractor must notify the Contracting Officer immediately if it believes any incongruence exists between this clause and any other term or condition of this Contract that provides for provisional payment of fee. If a term or condition of this Contract provides for provisional payment of fee but fails to include all of the requirements of this clause, that term or condition will be considered to include the omitted requirements.
 - (3) This clause conforms to the *Federal Acquisition Regulation* and U.S. Department of Energy fee policy and constructs. The following definitions and concepts apply.
 - (i) *Price* means cost plus any fee or profit applicable to the Contract.
 - (ii) The terms *profit* and *fee* are synonymous.
 - (iii) *Incentive* means a term or condition whose purpose is to motivate the Contractor to provide supplies or services at lower costs, and in certain instances with improved delivery or technical performance, by relating the amount of profit or fee earned to the Contractor's performance.
 - (iv) *Earned fee* for an incentive means fee due the Contractor by virtue of its meeting the Contract's requirements entitling it to fee. Earned fee does not occur until the Contractor has met all conditions stated in the Contract for earning fee.
 - (v) *Available fee* for an incentive means the fee the Contractor might earn but has not yet earned.
 - (vi) *Provisional payment of fee* for an incentive means the Government's paying available fee for an incentive to the Contractor for making progress towards meeting the performance measures for the incentive before the Contractor has earned the available fee.

- (vii) *Provisional payment of fee* has no implications for the Government's eventual determination that the Contractor has or has not earned the associated available fee. Provisional payment of fee is a separate and distinct concept from earned fee. The Contractor could, for example, receive 100 percent of possible provisional fee payments yet not earn any fee (the Contractor would be required to return all of the provisional fee payments). The Contractor could, for example, receive zero percent of possible provisional fee payments yet earn the entire amount of available fee (it would not receive any fee payments until the Government's determination that the Contractor had earned the associated available fee for the incentive).
- (viii) *Clause* means a term or condition used in this Contract.
- (4) This Contract's price, incentives included in its price, and all other terms and conditions reflect the Government's and the Contractor's agreement to link, to the maximum extent practical, the Contractor's earning of fee to its achievement of final outcomes rather than interim accomplishments.
- (5) Certain terms and conditions of this Contract provide for provisional payment of fee for certain incentives. Other terms and conditions of this Contract provide for each such incentive the requirements the Contractor must meet to earn the fee linked to the incentive. The terms and conditions of this Contract that provide for provisional payment of fee for certain incentives include for each such incentive the requirements the Contractor must meet before the Government is obligated to pay fee, provisionally, to the Contractor and for the Contractor to have any right to retain the provisionally paid fee.
- (6) The Contracting Officer, at his/her sole discretion, will determine if the Contractor has met the requirements under which the Government will be obligated to pay fee, provisionally, to the Contractor and for the Contractor to have any right to retain the provisionally paid fee.
- (7) If the Contracting Officer determines the Contractor has not met the requirements to retain any provisionally paid fee and notifies the Contractor, the Contractor must return that provisionally paid fee to the Government within thirty (30) days:
 - (i) The Contractor's obligation to return the provisional paid fee is independent of its intent to dispute or its disputing the Contracting Officer's determination; and
 - (ii) If the Contractor fails to return the provisionally paid fee within thirty (30) days of the Contracting Officer's determination, the Government, in addition to all other rights that accrue to the Government and all other consequences for the Contractor due to the Contractor's failure, may deduct the amount of the provisionally paid fee from amounts it owes under invoices; or any other amount it owes the Contractor for payment, financing, or other obligation.
- (8) If the Contractor has earned fee associated with an incentive in an amount greater than the provisional fee the Government paid to the Contractor for the incentive, the Contractor will be entitled to retain the provisional fee and the Government will pay the difference between the earned fee and the provisional fee.

Provisional Fee Procedures: Pending satisfactory performance, the Contractor is authorized to invoice for provisional fee once per month, at a rate of \$425,000 per month

(calculated as one-twelfth of 50 percent of the \$10,200,000 maximum annual available PEMP fee). Beginning in 2017 through 2022 the provisional fee amount will be reduced to \$328,025 per month (calculated as one-twelfth of 50 percent of the \$7,872,603 maximum available PEMP fee). However, the Contracting Officer may reduce the amount in accordance with Section B, Clause B.8, "Provisional Payment of Fee," paragraph (g).

B.9 CONDITIONAL PAYMENT OF FEE, PROFIT, OR INCENTIVES

In order for the Contractor to be eligible to earn all otherwise available fee under this Contract, the Contractor must meet the minimum requirements in paragraphs (a) and (b) of this section. If the Contractor does not meet the minimum requirements, the Fee Determining Official (FDO) (the Manager U.S. Department of Energy, Office of River Protection (ORP) or designee), may make a unilateral determination to reduce the earned Award Fee under this Contract as follows:

- (a) Minimum requirements for Environment, Safety, Quality, and Health (ESQ&H) Program: The Contractor shall develop, obtain DOE approval, and implement an Integrated Safety Management System (ISMS) in accordance with the provisions of Section I, Clause I.105, "DEAR 952.223-71 Integration of Environment, Safety, and Health into Work Planning and Execution (Jun 1997)." The minimal performance requirements will be set forth in the approved ISMS description document or similar document. If the Contractor fails to obtain approval of the ISMS or fails to achieve the minimum performance requirements of the System, the FDO, at his/her sole discretion, may reduce the total earned award fee payment for Project Management Incentive and Cost Incentive (Table B-2-D-1) during the Award Fee period in which the incident occurred.
- (b) Minimum Requirements for Catastrophic Event: If, in the performance of this Contract, there is a catastrophic event (e.g., a fatality, or a serious workplace-related injury or illness to one or more Federal, Contractor, or subcontractor employees or the general public, loss of control over classified or special nuclear material, or significant damage to the environment), the FDO, at his/her sole discretion, may reduce the earned Award Fee payment for Project Management Incentive and Cost Incentive (Table B-2-D-1) during the Award Fee period in which the incident occurred. In determining any diminution of fee resulting from a catastrophic event, the FDO, at his/her sole discretion, will consider whether willful misconduct and/or negligence contributed to the occurrence and will take into consideration any mitigating circumstances presented by the Contractor or other sources.

B.10 PROJECT SERVICES ALLOCATION

Project Services costs are allocated to specific facilities (LBL, DFLAW-EMF (WBS 1.07), HLW, and PT) in accordance with the final actual annual cost proportion of the work performed across all facilities. The target cost for CLIN 1.0 is based on an estimation of the project services cost to be allocated to the following facilities: WBS elements 1.02-LAW, 1.05-BOF, 1.06 LAB, and 1.07 DFLAW-EMF (CLIN 2.0) through FY2017 only. As of FY2018, project services allocations associated with WBS 1.07 DFLAW-EMF (CLIN 2.0) will be costed to the separate DFLAW-EMF Control Point. The actual amount of this allocation will vary based on the actual cost of work performed across all facilities in any given year. These actual costs will be reconciled on an annual basis at the end of each fiscal year to reflect actual percentage of the project services cost to be allocated to LBL, DFLAW-EMF, HLW, and PT, respectively. This reconciliation will be cost neutral to the CLIN 1.0 cost incentives and CLIN 2.1 cost incentive. The table below is the basis for the percentages incorporated into the target costs (including CLIN 1.0 and CLIN 2.0 Allocations through FY17 and only for CLIN 1.0 for FY18-21) based upon Annual Funding Profiles. Variations to these percentages after annual reconciliation will constitute a basis for equitable relief to the Contractor and/or a basis for a claim by the Government. See Clause H.53(g) for additional details.

Project Services Allocation	FY15	FY16	FY17	FY18	FY19	FY20	FY21
CLINs 1.0 and 2.0 (FY15-17 only) Percent of Project Services Allocation	70%	73%	80%	76%	75%	68%	50%
DFLAW CLIN 2.1 (FY18-21) Percent of Project Services Allocation	-	-	-	0.4%	0%	0%	0%
DFLAW CLIN 2.2/2.3 (FY18-21) Percent of Project Services Allocation	-	-	-	10%	10.5%	10.3%	7.2%

B.11 FEE RISK ALLOCATION

Except as set forth below, fee risks for changes under Clause I.82, "Changes – Cost Reimbursement – Alternate III," and other applicable Contract provisions addressing equitable adjustment, shall be in accordance with applicable Contract provisions(s). Equitable adjustments for the below-specified situations shall be subject to further limitations, clarifications, and modifications:

(a) Site Services and Interface Control Documents (ICD):

A contract change (subject to equitable adjustment in accordance with Clause I.82) shall be deemed to have occurred as the result of any changes in requirements regarding use of site services, including revisions to ICDs, both express (directed) and constructive. The Contractor shall use its best reasonable efforts to minimize and mitigate any such performance impacts.

(b) Waste Delivery:

A contract change (subject to equitable adjustment in accordance with Clause I.82) shall be deemed to have occurred as the result of failure by the Government to deliver waste feed in conformance to waste feed specifications, and/or failure to deliver feed in the quantity and/or timing necessary to support commissioning activities in accordance with Section C, "Statement of Work," Standard 5, "Commissioning."

(c) Changes in Laws, Regulations, Codes, Standards, and Directives:

A contract change (subject to equitable adjustment in accordance with Clause I.82) shall be deemed to have occurred as the result of any changes in laws, regulations, codes, standards, and directives (other than regulatory actions covered by paragraph (d) below) in accordance with the Changes clause.

(d) Regulatory Actions:

- (1) A Contract change (subject to equitable adjustment in accordance with Clause I.82, "FAR 52.243-2 Changes -- Cost-Reimbursement (Aug 1987) -- Alternate III (Apr 1984)") is deemed to have occurred upon unreasonable regulatory delays/interpretations/demands/new requirements in responding to and/or approving permit and other applications ("Regulatory Actions") after reasonable collaboration with DOE to avoid such impacts. This includes, but is not limited to, impacts resulting from implementation of Maximum Achievable Control Technology standards.
- (2) Absent Contractor's reasonable collaboration with DOE to avoid such impacts, Contractor shall not be entitled to an equitable adjustment to the Total Estimated Contract Cost or any fee for the first \$5,000,000 of impact for any such single regulatory action (per occurrence).

(e) Items Excluded from Statement of Waiver and Release of Claims for Modification No. A143:

The Contractor will not request, seek, or claim entitlement to any fee for the first \$350,000,000 of reasonable, allocable, and allowable costs for the items identified in paragraph (c) of the "Statement of Waiver and Release of Claims" contained in Modification No. A143. The Contracting Officer will determine those reasonable, allocable, and allowable costs pursuant to the applicable terms of the contract. For a list of applicable inclusions and exclusions see Section J, "List of Attachments," Attachment J, "Advance Understanding on Costs," Subattachments A and B.

(f) Items Excluded from Statement of Waiver and Release of Claims for Modification No. 384:

The Contractor may seek an adjustment to the TECC and contract schedule, but will not request, seek, or claim entitlement to any additional fee for the first \$50,000,000 of cumulative reasonable, allocable, and allowable costs incurred individually for each of the items identified in paragraphs 2 (Commercial Grade Dedication), 4 (LAW Confinement Ventilation System ("C5V")), and 9 (DOE Letter of Technical Direction) of the List of Exclusions from Release and Waiver of Claims (384). For each of the individual items listed above, if the cost of the adjustment(s) exceeds \$50,000,000 for any individual item, the Contractor may seek additional fee on any costs exceeding \$50,000,000. The Contracting Officer will determine those reasonable, allocable, and allowable costs pursuant to the applicable terms of the contract.

(g) Disposition of Government Property Credit:

The estimated cost of the Contract assumes that the acquisition cost or salvage value, as applicable, of government property, such as and including spare parts and supplies not consumed during commissioning and limited operations and construction equipment purchased as a direct cost to support the project, would be credited against the final actual cost in accordance with FAR 52.245-5, "Government Property (Cost-Reimbursement, Time-and-Material, or Labor-Hour Contracts)," paragraph (i). This credit shall be determined upon submission of inventory schedules to the Contracting Officer. The intent of the provision is to adjust the final actual cost to eliminate the cost of Government Property that is to be or has been transferred off the Government Property records of the Contractor for the purposes of calculating the final Award Fee – Cost Incentive fee determination.

The Contracting Officer will make specific decisions as to which equipment, spare parts and supplies will be retained for future use by the Government. For equipment, spare parts and supplies which are deemed excess and not to be retained by the Government, the Contractor will dispose of those materials in a cost effective manner. The proceeds will be used to offset contract costs.

(h) RFP Deficiencies and Due Diligence Review:

Except as otherwise set forth in (a), (b), (c), (d), (e), and (f) above, the Contractor shall bear the full fee risk for cost and schedule impacts resulting from any actual or purported deficiencies, whether or not known to Contractor and whether or not such deficiencies were identified by Contractor during its due diligence review under Section C.5, "Description of Contract Requirements and Deliverables," paragraph (a)(3), which arise out of solicitation defects, specification defects, Conceptual Design defects, or deficient historical pricing or cost estimate information in any form.

(i) Aging and Obsolescence Cost(s)

The estimated cost for CLIN 1.0 includes an amount of \$29,100,000 for aging and obsolescence. Should the costs be greater than \$29,100,000, the contractor shall be reimbursed all allowable costs, but the excess costs shall not be counted against the target cost for CLIN 1.0 (i.e., the additional costs shall be fee neutral).

B.12 ATTACHMENTS

- B-1, "Incentive Fee Summary Table"
- B-2, "Incentive Fee Details"
 - B-2-A, "Incentive Fee A – Final Fee Determination for Work Prior to Modification No. A143"
 - B-2-B, "Incentive Fee B – Final Fee Determination for Work from Modification No. A143 through Modification No. 384"
 - B-2-C, "Incentive Fee C – Fixed Fee Payment"
 - B-2-D, "Incentive Fee D – Award Fee"
 - B-2-E, "Incentive Fee E – LBL Physical Plant Complete Performance Based Incentives "
 - B-2-F, "Incentive Fee F – Commission LBL in the DFLAW Configuration Performance Based Incentive "
 - B-2-F-1, "Graph CLIN 1.0 Hot Commissioning Schedule Incentive"
 - B-2-G, "Incentive Fee G – CLIN 1.0 Cost Share Incentive"
 - B-2-G-1, "Graph Cost Share Incentive Fee CLIN 1.0"
 - B-2-H, "Incentive Fee H – CLIN 2.1 DFLAW Design Completion Fee."

Attachment B-1, Incentive Fee Summary Table

Incentive Element	Title	Fee type	Performance Measure	Amount of Fee Available	Amount Paid
B-2-A	Final Fee Determination for work prior to Mod No. A 143	Fixed	Determined by Contracting Officer		\$102,622,325
B-2-B	Earned Activity Milestone Completion Incentive Fees, REA Settlement Fees, Enhanced Incentive Fee, Earned Facility Milestone Completion Schedule Fee, and Award Fee earned before mod (384)	Fixed	Determined by Contracting Officer		* \$131,573,553
	Pending Activity Milestones	Fixed	Determined by Contracting Officer	\$0	\$6,667,000
B-2-C	Fixed Fee Payment	Fixed		\$0	\$60,000,000
			TOTAL B-2-C	\$0	\$300,862,878
B-2-D	Award Fee (From Mod (384) to December 2022).	Award Fee	To be established prior to each calendar year. Will be based upon DOE goals set for HLW and PT and Project Management.		
			CY2016	\$0	\$7,242,000
			CY2017	\$0	\$3,805,961
			CY2018	\$0	\$3,767,815
			CY2019	\$0	\$5,003,178.28
			CY2020	\$7,872,603	
			CY2021	\$7,872,603	
			CY2022	\$7,872,605	
			Total B-2-D	\$23,617,811	\$19,818,954.28
B-2-E	LBL Physical Plant Complete Performance Based Incentives		Interim Milestones		
		PBI	Install Caustic Scrubber Vessel Milestone	\$0	\$4,275,000
		PBI	Complete Final Assembly of Melter Lid #1 Milestone	\$0	\$4,275,000
		PBI	Complete Final Assembly of Melter Lid #2 Milestone	\$0	\$4,275,000
		PBI	Complete LAW Bulk Cable EL+ 48 Milestone	\$0	\$4,275,000
			Final Milestone		
		PBI	Final LBL Physical Plant Complete Milestone	\$0	\$48,300,000
			TOTAL B-2-E	\$0	\$65,400,000
B-2-F	Commission LBL in the DFLAW Configuration Performance Based Incentive		Interim Milestones		
		PBI	Approval of LAW DSA	\$0	\$6,650,000
		PBI	LAB Startup Testing Complete	\$0	\$6,650,000
		PBI	LAW Startup Testing Complete	\$6,650,000	
		PBI	EMF Startup Testing Complete	\$6,650,000	
		PBI	LAB Readiness to Operate	\$0	\$6,650,000
		PBI	LAW DOE HQ ORR Complete	\$6,650,000	
			Final Milestone		
		PBI	Successful Demonstration of Hot Commissioning	\$119,700,000	
	Commission LBL in the DFLAW Configuration Performance Based Schedule Incentive/disincentive		Based upon actual completion date of Successful Demonstration of Hot Commissioning	+/- \$60,000,000	
			TOTAL B-2-F	\$139,650,000	\$19,950,000
B-2333-G	CLIN 1.0 Cost Share Incentives	IF	Cost sharing incentive/disincentive based on final CLIN 1 cost above or below the Target cost as defined in Attachment B-2-G	+/- \$50,000,000	
	REA Fee Negotiated After Mod 384 (504)	FF	Fixed Fee payment for REAs Negotiated After Mod 384		\$874,957.86
			TOTAL B-2-G		\$874,957.86
B-2-H	DFLAW design completion	PBI	Complete the constructability review milestone	\$0	\$500,000
		PBI	Prepare and issue DFLAW EMF safety basis change package	\$0	\$500,000
	Cost Share incentive for CLIN 2.1	IF	DOE and the contractor will share cost on CLIN 2.1 final total cost above or below the Target Cost as defined in Table B-2-H-1.	\$0	\$5,434,076
			TOTAL B-2-H	\$0	\$6,434,076
			TOTAL FEE AVAILABLE	\$163,267,811	
			TOTAL FEE EARNED (505)		\$413,340,866.14

*This total will be adjusted to reflect pending milestones listed in Attachment B-2-B, Incentive Fee B that are currently under evaluation. (The total of the three milestones is \$6,667,000).

Note: TOTAL FEE AVAILABLE does not include cost share and schedule incentives. These incentives will be determined based up completion of CLINs 1.0 and 2.1 performance.

Attachment B-2, Incentive Fee Details

Attachment B-2-A, Incentive Fee A – Final Fee Determination for Work Prior to Modification No. A143

The final fee determination for all Contract performance prior to Modification No. A143 is \$102,622,325. This is composed of \$54,500,000 of previously paid fee for schedule milestones (which is considered earned), and \$48,122,325 (M147) of previously paid provisional fee. The \$48,122,325 (M147) is earned based on the completion of the significant construction milestones in the following table.

Construction Milestones	Fee (\$)
Low-Activity Waste Facility	
Completion of Facility Superstructure – March 2007 <u>Description:</u> Completed installation of structural steel frame, roofing and siding (dried-in).	\$25,600,000
Completion of Process Vessel Installation – December 2006 <u>Description:</u> Fourteen process vessels installed and accepted in the wet process cell.	\$3,200,000
Completion of Canister Handling System – March 2008 <u>Description:</u> Completed canister handling system in the melter pour caves including turntables, canister elevator, receipt conveyor, bogies and monorails.	\$2,200,000
Analytical Laboratory	
Completion of Facility Superstructure – April 2008 <u>Description:</u> Completed installation of structural steel frame, roofing and siding.	\$10,700,000
Completion of Installation of Hot Cell Structures – February 2008 <u>Description:</u> Completion on physical hot cell structure, shield window frames, monorail, and coatings.	\$2,300,000
Balance of Facilities	
Construction Complete on Steam Plant – September 2007 <u>Description:</u> Completed construction and ready for system checks	\$1,400,000
Construction Complete on Cooling Tower Facilities – March 2007 <u>Description:</u> Completed construction and ready for system checks	\$1,100,000
Construction Completions on Chiller Compressor Building and Systems – March 2008 <u>Description:</u> Completed building structure, support frames, major equipment installation and process piping installation.	\$1,622,325

Attachment B-2-B, Incentive Fee B – Final Fee Determination for Work from Modification No. A143 through Modification No. 384

The final fee determination for all Contract performance from Modification No. A143 to Modification No. 384 is \$131,573,553*. This is composed of \$72,926,000 of previously paid fee for Schedule Milestones, \$268,996 for Requests for Equitable Adjustments (REA), \$4,500,000 for Enhancement Incentives, \$4,000,000 for Facility Milestone Completion, and \$49,878,557 for Award Fee Payments.

EARNED ACTIVITY MILESTONE COMPLETION INCENTIVE FEES

Facility	Milestone Designation	Function	Description	Date	CY	Fee Amount
LAB-01	1GT00E0918	Engineering	Title II Design Complete	01/30/09	2009	\$ 3,875,000
BOF-04	1GB16C1050	Construction	Complete Installation of Cathodic Protection System	02/20/09	2009	\$ 3,875,000
PTF-02	1GP12CFM02	Engineering	IFC Drawings for Concrete Walls EL 56 - 77 Ft	04/28/09	2009	\$ 3,875,000
LAB-02	1GT48P0921	Plant Equip	Receive Waste Transfer System Equipment	04/29/09	2009	\$ 3,875,000
LAW-06	1GL14C0915	Construction	Erect Switchgear Building	10/15/09	2009	\$ 3,875,000
LAW01	1GL47P0922	Plant Equip	Receive Offgas Mercury Adsorber, PA #09-A EL +48	10/19/09	2009	\$ 3,875,000
HLW-02	1GH48P0942	Plant Equip	Receive and Accept Melter Cave 1 Crane Maintenance Shield Door HSH-DOOR-05	11/11/09	2009	\$ 3,875,000
PTF-01	1GP14CFM01	Engineering	DOE Approval of M-12 Closure	12/30/09	2009	\$ 3,875,000
HLW-05	1GH13C1145	Construction	Erect Structural Steel EL 0 Ft - EL 14 Ft	01/20/10	2010	\$ 4,428,000
PTF-03	1GP15CFM03	Engineering	PD Rack Design - IFC Complete	01/28/10	2010	\$ 4,428,000
LAB-04	1GT47P1036	Plant Equip	Receive Autosampler (ASX) Equipment	02/23/10	2010	\$ 4,428,000
LAW-03	1GL46P1030	Plant Equip	Melter #2 Lid+Bal of Components Ready for Assembly	06/15/10	2010	\$ 4,428,000
BOF-02	1GB5MC1043	Construction	Complete Construction Water Treatment Building	07/27/10	2010	\$ 4,428,000
HLW-01	1GHZZE0941	Engineering	Complete HVAC Design (Title II)	09/15/10	2010	\$ 4,428,000
HLW-03	1GHZZE1043	Engineering	Civil Engineering Design Complete (Title II)	02/23/11	2011	\$ 2,500,000
LAB-03	1GT47C1356	Construction	Complete Installation of Autosampler System	10/10/11	2011	\$ 2,500,000
HLW-07	1GH15C1247	Construction	Complete Pipe and Hanger Installation in PA06	12/06/11	2011	\$ 2,500,000
BOF-03	1GB5JC1046	Construction	Complete Chiller Compressor Plant Construction	03/22/12	2012	\$ 2,858,000
HLW-12	1GH14C1352	Construction	Complete Annex Building Weathering	04/30/13	2013	\$ 2,500,000
PTF-11	1GP12CFM11	Construction	Complete 5th Lift Walls	05/09/13	2013	\$ 2,500,000
SUBTOTAL						\$ 72,926,000
Pending Activity Milestones						
BOF-01	1GB47P1040	Plant Equip	Receive Anhydrous Ammonia System*	02/25/11	2011	\$ 2,500,000
HLW-09	1GH27C1249	Construction	Set HEPA Filter Housing Installation at EL 14 Ft*	08/31/11	2011	\$ 2,500,000
BOF-05	1GBC2S1463	Start Up	Complete Elec Distro Sys Testing MVE (Site Energization) (216)*	05/29/15	2015	\$ 1,667,000
TOTAL *						\$ 79,593,000

*The final fee determination will be adjusted to reflect pending activity milestones noted above that are currently under evaluation; final payment will be subject to DOE approval. Evaluation for the three milestones (BOF-01, HLW-09, and BOF-05) will utilize the Section J, "List of Attachments" criteria contained in the contract before Modification No. 384. Those criteria will be used by the Contracting Officer to evaluate if milestone completion criteria have been achieved and certify payment.

The following table reflects settlement of fee-bearing REAs.

REA Number	REA Title	Contract Modification No.	Fee Amount
2010-011	E-Verify	200	\$9,661
2010-015	LBL 2015	203	\$44,979
2010-016	Environmental Management System (Executive Orders 13423 and 13514; DOE O 430.2B and DOE O 450.1A)	251	\$30,606
2011-004	LSIT Phase 1	299	\$183,750
		Total	\$268,996

B-2-B-1 Enhanced Incentive Fee – Sodium Reduction

Final Enhanced Fee for Sodium Reduction was determined based on the Bechtel National, Inc.'s (BNI) success in reducing sodium. This determination of sodium reduction by BNI was based upon completion of initial model and bench scale testing demonstrating a reduction of sodium by 25,446 metric tons or 30 percent. The DOE Contracting Officer approved fee payment of \$4,500,000 on August 6, 2015 (15-WTP-0112, "Contract No. DE-AC27-01RV14136 – Acceptance of Completion of Enhancement Incentive E.2 Sodium Reduction – Initial Model and Bench Scale Testing for Runs Demonstrating Sodium Reduction (30%)").

The following table governs the Facility Milestone Completion Incentive Fee. The fee earned and was payable when the Contracting Officer determined the milestones were completed in accordance with the "Facility Milestone Definition Sheets" set forth in the Contract prior to Modification No. 384.

Earned Facility Milestone Completion Schedule Fee.

Facility	Activity Code	Facility Milestone Description	Schedule Date	Fee Amount
LAB	4TT0999	Substantially Complete Construction	December 31, 2012	\$4,000,000
		Total		\$4,000,000

The following table lists the available and earned Award Fee post Modification No. A143 to Modification No. 384.

Cal. Year (CY)	Award Fee Period	B.1 Award Fee – Project Mgmt Incentive		B.2 Award Fee – Cost Incentive		Total Award Fee	
		Available	Earned*	Available	Earned*	Available	Earned
2009	2009-A	\$2,188,838	\$1,584,719	\$4,500,000	\$2,925,000	\$6,688,838	\$4,509,719
	2009-B	\$2,188,837	\$1,349,418	\$4,500,000	\$2,250,000	\$6,688,837	\$3,599,418
2010	2010-A	\$2,000,000	\$1,379,000	\$4,300,000	\$2,580,000	\$6,300,000	\$3,959,000
	2010-B	\$2,000,000	\$1,521,600	\$4,300,000	\$2,623,000	\$6,300,000	\$4,144,600
2011	2011-A	\$2,000,000	\$1,348,000	\$4,300,000	\$2,795,000	\$6,300,000	\$4,143,000
	2011-B	\$2,000,000	\$1,426,000	\$4,300,000	\$2,451,000	\$6,300,000	\$3,877,000
2012	2012-A	\$3,150,000	\$1,571,850	\$3,150,000	\$1,549,800	\$6,300,000	\$3,121,650
	2012-B	Waived	at the	request	of the	Contractor	
2013	2013-A	\$3,780,000	\$1,869,210	\$2,520,000	\$1,254,960	\$6,300,000	\$3,124,170
	2013-B	\$5,300,000*	\$2,745,000	\$1,000,000*	\$280,000	\$6,300,000	\$3,025,000
2014	2014-A	\$5,300,000*	\$3,580,000	\$1,000,000*	\$390,000	\$6,300,000	\$3,970,000
	2014-B	\$3,780,000 **	\$2,671,200	\$2,520,000 **	\$1,423,800	\$6,300,000	\$4,095,000
2015		\$9,100,000***	\$5,685,000	\$3,500,000***	\$2,625,000	\$12,600,000	\$8,310,000
Total		\$42,787,675	\$26,730,997	\$39,890,000	\$23,147,560	\$82,677,675	\$49,878,557

Attachment B-2-C, Incentive Fee C – Fixed Fee Payment

A \$60,000,000 fixed fee payment, in satisfaction of all fee entitlement for work done under this Contract from the date of Modification No. A143 to Modification No. 384, not included in Attachments B-2-A and B-2-B, including but not limited to, any fee entitlement due under vessel testing REAs (directed changes for HLW and PT facilities). Fee may be invoiced at the time of Modification No. 384 execution.

Includes resolution of cost and fee for vessel testing REAs:

- REA 2011-009 Large-Scale Integrated Testing (LSIT Phase II)
- REA 2013-005 Full-Scale Vessel Testing RLD-8 only
- REA 2014-003 Full-Scale Vessel and Proof of Concept Testing Beyond RLD-8.

Attachment B-2-D, Incentive Fee D – Award Fee

Award Fee: Beginning in calendar year (CY) 2016 and through the award fee periods specified below. Award fee may be earned by achieving performance objectives set forth in the WTP Performance Evaluation and Measurement Plan (PEMP). See Section B.8, “Award Fee Administration,” for award fee administration requirements under this Contract.

B-2-D-1 Project Management and Cost Incentive

The Project Management Incentive is fully described in the PEMP based on subjective and/or objective evaluation of important project management performance elements to be developed annually and set forth in the PEMP. Important emphasis areas will include a collection of diverse emphasis areas, such as general project management considerations, labor management, safety, quality management, technical issue resolution, engineering and construction performance, procurements process effectiveness, and environmental performance. Annual PEMP's will also include objective project goals for the HLW and PT facilities.

The cost incentive is fully described in the PEMP based on subjective and/or objective evaluation of important cost performance elements to be developed semi-annually and set forth in the PEMP. The primary objective of the maximum available award fee – cost incentive is to incentivize the Contractor to achieve a final actual cost that is equal to or less than the Total Estimated Contract Cost (TECC). The TECC for the purposes of this incentive is defined as the Contractor's performance management baseline plus management reserve. TECC is also referred to under earned value management system as the total allocated budget.

The cost incentive will be evaluated based on a combination of subjective and/or objective evaluation of important cost performance elements to include, but not be limited to cost performance indices, schedule performance indices, management reserve utilization, number and value of variances, and estimate at completion based on the monthly status report.

Calendar Year	Award Fee Period	Total Award Fee		
		Available	Earned	Unearnable
2016	2016	\$10,200,000	\$7,242,000	\$2,958,000
2017	2017	\$7,872,603	\$3,805,961	\$4,066,642
2018	2018	\$7,872,603	\$3,767,815	\$4,104,788
2019	2019	\$7,872,603	\$5,003,178.28	\$2,869,424.72
2020		\$7,872,603		
2021		\$7,872,603		
2022		\$7,872,605		
Total		\$57,435,620	\$19,818,954.28	\$13,998,854.72

Attachment B-2-E, Incentive Fee E – LBL Physical Plant Complete Performance Based Incentives

The following fee incentive will be earned and payable when the Contracting Officer determines the milestone has been completed in accordance with Section J, "List of Attachments," Attachment P, "Completion Definition Sheets for Incentive Fees," of this contract.

For purposes of determining fee payments, the activities, including all identified predecessor activities, listed in Section J, "List of Attachments," Attachment P, "Completion Definition Sheets for Incentive Fees" (the Identified Activities), describe the work to be completed to meet the associated fee milestone and describe the criteria by which DOE will evaluate the Contractor's satisfactory completion of the associated fee milestone. Activities in addition to the Identified Activities will not be used as a basis to deny payment of the associated fee. Contractor's satisfactory completion of the fee milestone requires that completion of the Identified Activities be in compliance with the terms and conditions of the contract.

1. DOE will review and either approve or reject the Contractor's declaration within thirty (30) calendar days of submission. In the event DOE rejects the Contractor's declaration, DOE will provide a detailed basis for rejection.
2. In the event the Contractor's declaration is rejected by DOE, the Contractor shall correct any deficiencies and resubmit a revised "Declaration of Completion." The final completion date for purposes of the incentive provisions contained in this attachment will become fixed as of the date of DOE's final approval, less the time consumed in the DOE approval process.
3. The fee for the Engineering, Procurement, and Construction (EPC) interim and final milestones contained in this attachment B-2-E will be earned and payable when the Contracting Officer determines the milestone has been completed as described in the milestone definition sheets contained in Section J, "List of Attachments," Attachment P, "Completion Definition Sheets for Incentive Fees."

Table B-2-E-1. LBL Physical Plant Complete Performance Based Incentive Fee.

LBL Physical Plant Complete Performance Based Incentive Fee Milestones	Fee (\$)
LBL Physical Plant Complete Interim and Final Milestone Completion Incentive Fee	
A) Interim LBL Physical Plant Complete PBI Description:	
1) Install Caustic Scrubber Vessel	
- 02/20/2017 (Milestone Date)	\$4,275,000
- After 02/20/2017 and on or before 03/20/2017	\$3,275,000
- After 03/20/2017 and on or before 04/20/2017	\$2,275,000
- After 04/20/2017 and on or before 05/20/2017	\$1,275,000
- After 05/20/2017 Move unearned portion of fee to LAW Physical Plant Complete Milestone	\$
2) Complete Final Assembly of Melter #1	
- 05/13/2017 (Milestone Date)	\$4,275,000
- After 05/13/2017 and on or before 06/13/2017	\$3,275,000
- After 06/13/2017 and on or before 07/13/2017	\$2,275,000
- After 07/13/2017 and on or before 08/13/2017	\$1,275,000
- After 08/13/2017 Move unearned portion of fee to LAW Physical Plant Complete Milestone	
3) Complete Final Assembly of Melter #2	
- 09/22/2017 (Milestone Date)	\$4,275,000
- After 09/22/2017 and on or before 10/22/2017	\$3,275,000
- After 10/22/2017 and on or before 11/22/2017	\$2,275,000
- After 11/22/2017 and on or before 12/22/2017	\$1,275,000
	\$

<ul style="list-style-type: none"> - After 12/22/2017 Move unearned portion of fee to LAW Physical Plant Complete Milestone 	
<p>4) Complete LAW Bulk Cable EL +48</p> <ul style="list-style-type: none"> - 02/13/2018 (Milestone Date) - After 02/13/2018 and on or before 03/13/2018 - After 03/13/2018 and on or before 04/13/2018 - After 04/13/2018 and on or before 05/13/2018 - After 05/13/2018 Move unearned portion of fee to LAW Physical Plant Complete Milestone 	<p>\$4,275,000 \$3,275,000 \$2,275,000 \$1,275,000</p>
<p>At the close of the three month period (90 Calendar Days after the Milestone Completion Date) any unearned Interim Performance Based Incentive fee amount will be moved to the LAW Physical Plant Complete PBI and will be earnable if LAW Physical Plant Complete is achieved by the contract date. If LAW is not Physical Plant complete by the contract date any unearned EPC Interim Performance Based Incentive fee is forfeited.</p>	
<p>B) Final LBL Physical Plant Complete Milestone Description LAW Physical Plant Complete: 75% of the LBL Physical Plant Complete PBI pool will be earned upon LAW Physical Plant Complete per Section J, "List of Attachments," Attachment P, "Completion Definition Sheets for Incentive Fees," by June 28, 2018. The LAW Physical Plant Complete PBI is date dependent. Fee will be decreased \$3M per month for five months if date not met. For a LAW Physical Plant Complete date later than November 28, 2018, 70% (\$35.9M) of the PBI is forfeited. The minimum fee earned amount for LAW Physical Plant Complete is 30% or \$15.4M, which is subject to further reduction under the cost share incentive.</p>	
<ul style="list-style-type: none"> - June 28, 2018 (Milestone Date) - After June 28, 2018 and on or before July 28, 2018 - After July 28, 2018 and on or before August 28, 2018 - After August 28, 2018 and on or before September 28, 2018 - After September 28, 2018 and on or before October 28, 2018 - After October 28, 2018 and on or before November 28, 2018 - After November 28, 2018 	<p>\$51,300,000 + (+ any unearned Interim EPC PBI)</p> <p>\$48,300,000 \$45,300,000 \$42,300,000 \$39,300,000 \$36,300,000 \$15,400,000</p>
<p>Minimum Fee under LAW, BOF and LAB EPC Incentive Fee (exclusive of any EPC Interim PBIs)</p>	<p>\$15,400,000 Minimum</p> <p>\$68,400,000</p>
<p>TOTAL LBL Physical Plant Complete Performance Based Incentive Fee</p>	

Provisional payment of fee is authorized for the "LBL Physical Plant Complete Performance Based Incentive Fee." Provisional fee of 50% of the total Performance Based Incentives (PBI) will be paid monthly upon a determination by the Contracting Officer that the Contractor is making satisfactory progress toward completion of the applicable incentive. Any incentive (either cost or schedule, including milestone completion incentive and cost share incentive) shall be payable within thirty (30) days of DOE acceptance in accordance with Section J, "List of Attachments," Attachment P, "Completion Definition Sheets for Incentive Fees" of this Contract. Fifty percent of the performance based incentives, both interim and final (pro-rated on a monthly basis) for LBL Physical Plant Complete will be paid provisionally based upon a projection of schedule completion. Final fee earned for LBL Physical Plant Complete will be based upon the criteria set forth in the Table B-2-E-1, paragraph B, above.

Note: Any cost and/or schedule incentive provisionally paid is not finally earned by the Contractor until the Contracting Officer authorizes the Contractor to submit a final incentive invoice. If the LBL Physical Plant Completion is not successfully completed due to actions by the Contractor, all provisionally earned

incentives will be forfeit and shall be returned to DOE within thirty (30) days of written request by the Contacting Officer, in accordance with Clause I.65, "FAR 52.232-17 Interest (Jun 1996)."

Attachment B-2-F, Incentive Fee F – Commission LBL in the DFLAW Configuration Performance Based Incentive

The following fee incentives and associated fee will be earned and payable when the Contracting Officer determines the milestone has been completed in accordance with Section J, "List of Attachments," Attachment P, "Completion Definition Sheets for Incentive Fees," of the contract.

For purposes of determining fee payments, the activities, including all identified predecessor activities, listed in Section J, "List of Attachments," Attachment P, "Completion Definition Sheets for Incentive Fees" (the Identified Activities), describe the work to be completed to meet the associated fee milestone and describe the criteria by which DOE will evaluate the Contractor's satisfactory completion of the associated fee milestone. Activities in addition to the Identified Activities will not be used as a basis to deny payment of the associated fee. Contractor's satisfactory completion of the fee milestone requires that completion of the Identified Activities be in compliance with the terms and conditions of the contract.

1. DOE will review and either approve or reject the Contractor's declaration within thirty (30) calendar days of submission. In the event DOE rejects the Contractor's declaration, DOE will provide a detailed basis for rejection.
2. Upon approval of the declaration by DOE, the Contractor shall submit a summary of the cost incurred and the incentive fee due for DOE review and approval to invoice the fee. DOE shall authorize the Contractor to invoice the final incentive fee within ten (10) calendar days or provide a detailed basis for withholding authorization. Notwithstanding the ten (10) calendar day period in the preceding sentence, DOE will conduct a comprehensive review of the contractor's summary of cost incurred within ninety (90) days of invoice receipt. The final incentive fee amount is subject to adjustment for any findings resulting from DOE's comprehensive cost review. The completion date will become fixed for purposes of the incentive provisions of "LBL Completion" (CLIN 1.0) of this Contract as the date specified by the Contractor in its declaration and approved by DOE.
3. In the event the Contractor's declaration is rejected by DOE:
 - a. With respect to the cost incentive provisions contained herein, costs incurred after submission of the Contractor's "Declaration of Completion" shall be included in the calculation of the final cost against the target cost until DOE approves the declaration.
 - b. With respect to the schedule incentive provisions contained herein, the Contractor shall correct any deficiencies and resubmit a revised "Declaration of Completion." The final completion date purposes of calculation of the schedule incentive provisions contained in this attachment will become fixed as of the date of DOE's final approval less the time consumed in DOE's approval process (the number of days from receipt of the initial and subsequent, if any, "Declaration(s) of Completion" by DOE to the date DOE accepts or rejects the declaration).

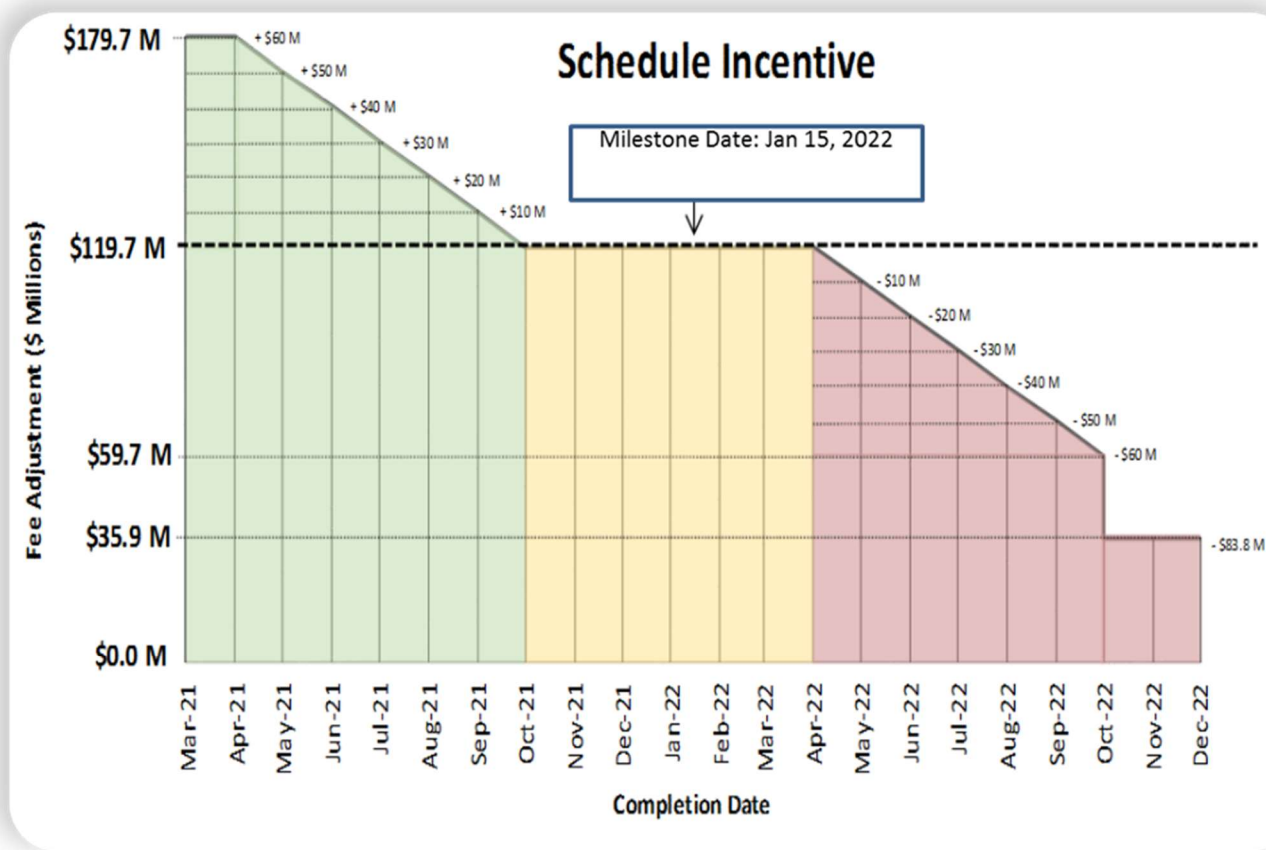
Table B-2-F-1. Configuration Performance Based Incentive Fee.

LBL Startup and Commissioning Performance Based Incentive Fee	Fee (\$)
A) <u>Startup and Commissioning Interim Milestone PBI Description:</u>	
1) ORP (SER) Approval of LAW DSA	
- 08/15/2018 (Milestone Date)	\$6,650,000
- After 08/15/2018 and on or before 09/15/2018	\$5,650,000
- After 09/15/2018 and on or before 10/15/2018	\$4,650,000
- After 10/15/2018 and on or before 11/15/2018	\$3,650,000
- After 11/15/2018 Move unearned portion of fee to Hot Commissioning Milestone	
2) LAB Startup Testing Complete	
- 01/20/2020 (Milestone Date)	\$6,650,000
- After 01/20/2020 and on or before 02/20/2020	\$5,650,000
- After 02/20/2020 and on or before 03/20/2020	\$4,650,000
- After 03/20/2020 and on or before 04/20/2020	\$3,650,000
- After 04/20/2020 Move unearned portion of fee to Hot Commissioning Milestone	
3) LAW Startup Testing Complete	
- 03/13/2020 (Milestone Date)	\$6,650,000
- After 03/13/2020 and on or before 04/13/2020	\$5,650,000
- After 04/13/2020 and on or before 05/13/2020	\$4,650,000
- After 05/13/2020 and on or before 06/13/2020	\$3,650,000
- After 06/13/2020 Move unearned portion of fee to Hot Commissioning Milestone	
4) EMF Startup Testing Complete	
- 04/01/2020 (Milestone Date)	\$6,650,000
- After 04/01/2020 and on or before 05/01/2020	\$5,650,000
- After 05/01/2020 and on or before 06/01/2020	\$4,650,000
- After 06/01/2020 and on or before 07/01/2020	\$3,650,000
- After 07/01/2020 Move unearned portion of fee to Hot Commissioning Milestone	
5) LAB Readiness to Operate	
- 06/08/2020 (Milestone Date)	\$6,650,000
- After 06/08/2020 and on or before 07/08/2020	\$5,650,000
- After 07/08/2020 and on or before 08/08/2020	\$4,650,000
- After 08/08/2020 and on or before 09/08/2020	\$3,650,000
- After 09/08/2020 Move unearned portion of fee to Hot Commissioning Milestone	
6) LAW DOE HQ ORR Complete	
- 09/27/2021 (Milestone Date)	\$6,650,000
- After 09/27/2021 and on or before 10/27/2021	\$5,650,000
- After 10/27/2021 and on or before 11/27/2021	\$4,650,000
- After 11/27/2021 and on or before 12/27/2021	\$3,650,000
- After 12/27/2021 Move unearned portion of fee to Hot Commissioning Milestone	
At the close of the three-month period (90 Calendar Days after the Milestone Completion Date) any unearned Startup and Commissioning Interim Milestone Performance Based Incentive fee amount will be moved to Successful Demonstration of Hot Commissioning PBI and will be earnable if Successful Demonstration of Hot Commissioning is achieved by the milestone date. If Successful Demonstration of Hot Commissioning is not complete by the Milestone date any unearned Startup and Commissioning Interim Milestone Performance Based Incentive fee is forfeited.	

LBL Startup and Commissioning Performance Based Incentive Fee	Fee (\$)
<p>B) <u>Successful Demonstration of Hot Commissioning Final Milestone PBI Description:</u></p> <p>75% of the Startup and Commissioning PBI pool will be earned upon the successful demonstration of hot commissioning by January 15, 2022. This PBI is date dependent and will have a +/- 3-month grace period.</p> <p>Schedule Incentive Fee – <u>Description:</u> For completion of the successful demonstration of LBL hot commissioning per Section J, “List of Attachments,” Attachment P, “Completion Definition Sheets for Incentive Fees,” after April 15, 2022, fee under this PBI will be reduced at a rate of \$10M/month for a six (6) month period or until October 15, 2022. For completion after October 15, 2022, fee under the successful demonstration of hot commissioning PBI will be reduced to a minimum fee of 30% or \$35.9M, which is subject to the cost share incentive of this PBI.</p> <p>For completion per Section J, “List of Attachments,” Attachment P, “Completion Definition Sheets for Incentive Fees,” earlier than October 15, 2021, the Contractor shall earn a fee incentive of \$10M/month for a six (6) month period or until April 15, 2021, subject to the maximum schedule incentive of \$60M. Any incentive earned under the successful demonstration of this PBI for early completion is conditioned on achievement of actual cost savings equal to or greater than 200% of the amount of incentive earned (i.e., if the completion date is August 15, 2021, the Contractor is entitled to a \$20M schedule incentive, provided that the total costs for CLIN 1.0 are equal to or less than \$3,477,071,024, a reduction of \$40M).</p>	<p>\$119,700,000 (+ any unearned Startup and Commissioning Interim PBIs)</p>
<p>Total LBL Startup and Commissioning Performance Based Incentive Fee not including schedule incentive</p>	<p>\$159,600,000</p>
<p>See Figure B-2-F-1 for an illustration of the mechanics of the Schedule Incentive.</p>	

Note: Any cost and/or schedule incentive provisionally paid is not finally earned by the Contractor until the Contracting Officer authorizes the Contractor to submit a final incentive invoice. If the Successful Demonstration of Hot Commissioning Final Milestone is not successfully completed due to actions by the Contractor, all provisionally earned incentives will be forfeit and shall be returned to DOE within thirty (30) days of written request by the Contracting Officer, in accordance with Clause I.65, "FAR 52.232-17 Interest (Jun 1996)."

Figure B-2-F-1. Graph CLIN 1.0 Hot Commissioning Schedule Incentive.



Attachment B-2-G, Incentive Fee G – CLIN 1.0 Cost Share Incentives

CLIN 1.0 Cost Share Incentive Fee Changes		
Mod #	Credit	Target Cost
384		\$3,640,400,000
464	(\$118,489,356)	\$3,521,910,644
465	(\$4,839,620)	\$3,517,071,024

The Government and BNI will share cost increases/decreases above or below the target cost of \$3,517,071,024. The final increase/decrease to earned fee will be based on the actual final cost incurred to complete CLIN 1.0 from January 1, 2014. The increase/decrease will be cumulative and the final amount will be prorated for any final cost falling between the high and low points of any of the final cost bands reflected herein.

Cost Share Incentives	Description	Maximum Incremental Fee Reduction	Maximum Cumulative Fee Reduction
	CLIN 1.0 Cost share incentive will include a +\$200M fee neutral cost band above the price of \$3,517,071,024 and a -\$100M fee neutral band below \$3,517,071,024.		
Decreases to earned fee will start after the total cost for CLIN 1.0 exceeds \$3,717,071,024 as follows:	Total cost for CLIN 1.0 between \$3,717,071,024 to \$3,767,071,024, the cost increase will be shared in a ratio of 90% Government and 10% BNI.	-\$5,000,000.00	-\$5,000,000.00
	Total cost for CLIN 1.0 between \$3,767,071,024 to \$3,817,071,024, the cost increase will be shared in a ratio of 85% Government and 15% BNI.	-\$7,500,000.00	-\$12,500,000.00
	Total cost for CLIN 1.0 between \$3,817,071,024 to \$3,867,071,024, the cost increase will be shared in a ratio of 80% Government and 20% BNI.	-\$10,000,000.00	-\$22,500,000.00
	Total cost for CLIN 1.0 between \$3,867,071,024 to \$3,977,071,024, the cost increase will be shared in a ratio of 75% Government and 25% BNI.	-\$27,500,000.00	-\$50,000,000.00
	Total Decrement for \$460,000,000 cost increase to price (\$3,977,071,024)	-\$50,000,000.00	
Increases to earned fee will start when costs are below \$3,417,071,024		Maximum Incremental Fee Increase	Maximum Cumulative Fee Increase
	Total cost for CLIN 1.0 equal to \$3,417,071,024 to \$3,342,071,024, the cost savings will be shared in a ratio of 90% Government and 10% BNI.	\$7,500,000.00	\$7,500,000
	Total cost for CLIN 1.0 between \$3,342,071,024 to \$3,267,071,024, the cost savings will be shared in a ratio of 85% Government and 15% BNI.	\$11,250,000.00	\$18,750,000
	Total cost for CLIN 1.0 between \$3,267,071,024 to \$3,192,071,024, the cost savings will be shared in a ratio of 80% Government and 20% BNI.	\$15,000,000.00	\$33,750,000
	Total cost for CLIN 1.0 between \$3,192,071,024, to \$3,057,071,024, the cost savings will be shared in a ratio of 75% Government and 25% BNI.	\$16,250,000.00	\$50,000,000

	Total Incentive for cost savings	\$50,000,000.00	
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Figure B-2-G-1. Graph Cost Share Incentive Fee CLIN 1.0.

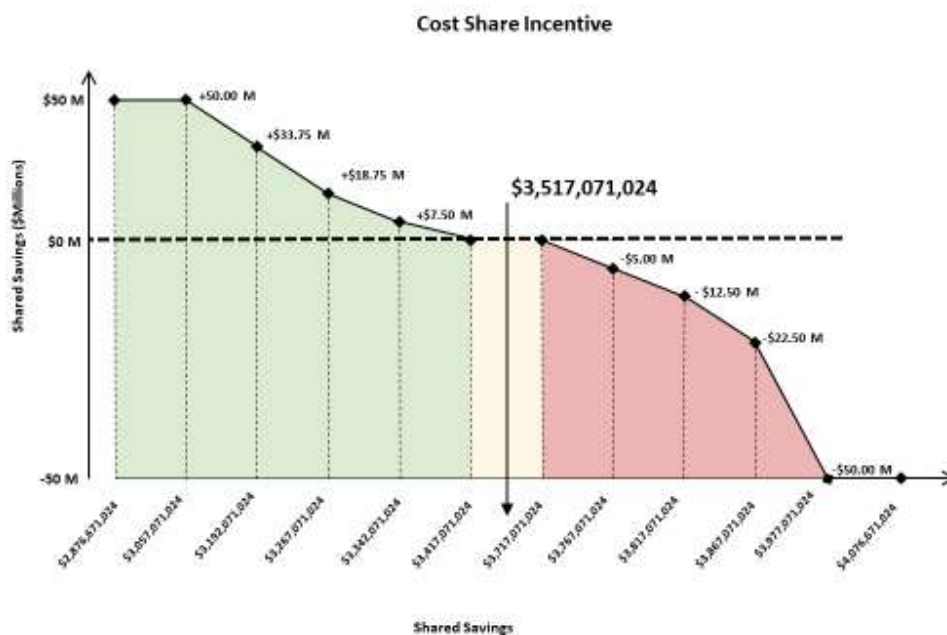


Table B-2-G-1. Negotiated Changes after Contract Modification # 384

REA #	Mod #	Negotiated value	CLIN 1	CLIN 2	CLIN 3	CLIN 4	Fee	Notes
2016-003	403	\$400,000	\$379,978		\$7,008	\$13,014		NTE in 381; Split fixed in 417
EMF Cable Drops	417	\$85,000		\$85,000				
National Security Trng	417	\$107,823	\$92,728		\$11,860	\$3,235		
2017-002	420	\$1,144,081		\$1,103,559			\$40,522	
2017-003	426	\$385,114	\$385,114					NTE in 385 & 411
2016-002	429	\$1,517,007	\$1,013,787		\$203,052	\$214,541	\$85,627	NTE in 375, 388, & 412; Split fixed in 417
2017-006	433	\$229,718	\$229,718					NTE in 389 & 428
2016-001	441	\$2,465,871			\$2,327,428		\$138,443	NTE in 371 & 396; Split fixed in 417 & 486

2017-004	443	\$1,194,000	\$931,661	\$110,809	\$119,059	\$32,471		NTE in 415 & 428; Split fixed in 417
2017-008	445	\$728,305	\$662,136	\$9,381			\$56,788	
2018-004	448	\$77,360	\$74,858	\$2,502				
2018-005	448	\$33,610	\$31,360	\$2,250				
2018-006	448	\$117,398	\$115,085	\$2,313				
2018-011	453	\$559,961	\$208,568	\$310,315			\$41,078	NTE in 432; Correction in 454
2015-005, Rev. 1	454	\$2,369,663	\$1,481,074	\$412,327	\$157,163	\$130,784	\$188,315	NTE in 349
2017-012	455	\$2,280,231	\$2,248,656	\$20,330	\$4,064	\$7,181		NTE in 397 & 438
2019-003	465	(\$4,839,620)	(\$4,839,620)					
2018-016	469	(\$1,005,495)		(\$1,005,495)				
2018-009	475	\$866,337	\$620,767	\$126,444	\$28,982	\$36,247	\$53,897	Split fixed in 486
2019-002	479	\$1,033,352	\$680,768	\$247,870	\$41,186	\$63,528		
2019-006	481	\$722,444	\$668,949				\$53,495	
2019-008	487	\$525,010	\$490,930				\$34,080	
2019-005	502	\$1,144,767.99	\$1,080,280.13				\$64,487.86	
2020-001	504	\$1,948,104.00	\$1,829,879.00				\$118,225.00	
Total		\$14,090,041.99	\$8,386,676.13	\$1,427,605.00	\$2,899,802.00	\$501,001.00	\$874,957.86	

Table B-2-G-2 CLIN Breakdown of REA Fees after Contract Modification # 384

REA #	Mod #	Fee Total	CLIN 1	CLIN 2*	CLIN 3	CLIN 4
2017-002	420	\$40,522		\$40,522		
2016-002	429	\$85,627	\$73,532		\$3,939	\$8,156
2016-001	441	\$138,443			\$138,443	
2017-008	445	\$56,788	\$52,284		\$2,625	\$1,879
2018-011	453	\$41,078		\$41,078		
2015-005, Rev. 1	454	\$188,315	\$173,375		\$9,279	\$5,660
2018-009	475	\$53,897	\$49,570		\$1,923	\$2,405
2019-006	481	\$53,495	\$53,495			
2019-008	487	\$34,080	\$34,080			
2019-005	502	\$64,487.86	\$64,487.86			
2020-001	504	\$118,225.00	\$118,225.00			
Total		\$874,957.86	\$619,048.86	\$81,600	\$156,209	\$18,100

*CLIN 2 Fee is included in CLIN 1 Control Point Funding for BOF Fee.

Attachment B-2-H, Incentive Fee H – CLIN 2.1 DFLAW Design Completion Fee

The following DFLAW fee incentives and associated fee will be earned and payable when the Contracting Officer determines the milestone has been completed in accordance with in Section J, "List of Attachments," Attachment Q, "DFLAW Design Completion Criteria Incentive Definitions," of this Contract.

For purposes of the Cost, Schedule, and Interim milestone completion incentives as set forth in this section, the Contractor will ensure all requirements as defined in Section J, "List of Attachments," Attachment Q, "DFLAW Design Completion Criteria Incentive Definitions," have been met and submit a "Declaration of Completion" to DOE.

1. DOE will review and either approve or reject the Contractor's declaration within thirty (30) calendar days of submission. In the event DOE rejects the Contractor's declaration, DOE will provide a detailed basis for the rejection.
2. Upon approval of the declaration by DOE, the Contractor shall submit a summary of the cost incurred and the incentive fee due for DOE review and approval to invoice the fee. DOE shall authorize the Contractor to invoice the final incentive fee within ten (10) calendar days or provide a detailed basis for withholding authorization. Notwithstanding the ten (10) calendar day period in the preceding sentence, DOE will conduct a comprehensive review of the Contractor's summary of cost incurred within ninety (90) days of invoice receipt. The final incentive fee amount is subject to adjustment for any findings resulting from DOE's comprehensive cost review. The completion date will become fixed for purposes of the incentive provisions of "DFLAW Design Completion" (CLIN 2.1) of this Contract as the date specified by the Contractor in its declaration and approved by DOE.
3. In the event the Contractor's declaration is rejected by DOE, costs incurred after submission of the Contractor's "Declaration of Completion" shall be included in the calculation of the final cost against the target cost until DOE approves the declaration.

Provisional payment of fee is authorized for incentive fee under CLIN 2.1. Provisional fee of 80 percent of projected fee earnings will be paid quarterly upon a determination by the Contracting Officer that the Contractor is making satisfactory progress toward completion of the applicable incentive. Any incentive (either cost or schedule, including the interim milestone schedule incentive) provisionally earned will be payable within thirty (30) days of DOE acceptance in accordance with Section J, "List of Attachments," Attachment Q, "DFLAW Design Completion Criteria Incentive Definitions," of this Contract. Eighty percent of cost and schedule incentives (pro-rated on a quarterly basis) for DFLAW design completion will be paid provisionally based upon a projection of cost and schedule at completion. Final fee earned for DFLAW design completion will be based upon the criteria as set forth in Table B-2-H-1 below.

Note: Any cost and/or schedule incentive provisionally paid is not finally earned by the contractor until the Contracting Officer authorizes the Contractor to submit a final incentive invoice. If the DFLAW design completion is not successfully completed due to actions by the Contractor all provisionally earned incentives will be forfeit and shall be returned to DOE within thirty (30) days of written request by the Contracting Officer, in accordance with Clause I.65 FAR, "52.232-17 Interest (Jun 1996)."

Table B-2-H-1. CLIN 2.1 DFLAW Design Completion Fee.

DFLAW Design Completion Fee Milestones	Fee (\$)
DFLAW Design Completion	
Interim Milestone Completion Incentive Fee –	
<u>Description:</u>	
1) Complete the constructability review, model review and initial Hazard Analysis for the DFLAW Effluent Management Facility by-	
December 31, 2015	\$500,000
After March 31, 2016 and before June 30, 2016	\$250,000
After June 30, 2016	\$0
2) Prepare and issue the DFLAW EMF Safety Basis Change Package (SBCP)/Preliminary Documented Safety Analysis (PDSA) update as an addendum to the LAW PDSA by-	
July 31, 2016	\$500,000
After October 30, 2016 and before January 31, 2017	\$250,000
After January 31, 2017	\$0
Cost Incentive Fee –	
<u>Description:</u> DOE and the Contractor will share cost under runs on completion of CLIN 2.1 of less than target contract cost (\$76,359,283) in the ratio of 80% DOE/20% Contractor, subject to the maximum combined fee limitation.	
DOE and the Contractor will share cost overruns on completion of CLIN 2.1 of more than target contract cost (\$76,359,283) in the ratio of 80% DOE/20% Contractor, subject to the minimum fee limitation.	
Schedule Incentive Fee –	
<u>Description:</u> For every full month DFLAW Design Completion is accepted as complete per Section J, "List of Attachments," Attachment Q, "DFLAW Design Completion Criteria Incentive Definitions," prior to April 30, 2018, fee will be increased by \$100,000 subject to the maximum combined fee limitation.	
In the event DFLAW Design Completion is accepted as complete between April 30, 2018, and July 31, 2018, fee will be reduced by \$100,000 for each full month completion occurs after April 30, 2018 per Section J, "List of Attachments," Attachment Q, "DFLAW Design Completion Criteria Incentive Definitions."	
In the event DFLAW Design Completion is accepted as complete per Section J, "List of Attachments," Attachment Q, "DFLAW Design Completion Criteria Incentive Definitions," after July 31, 2018, total fee available will be reduced to the minimum fee of \$750,000.	
Minimum Fee under DFLAW Design Completion (exclusive of any Interim Milestone Completion Fee)	\$750,000
Target Fee under DFLAW Design Completion (exclusive of any Interim Milestone Completion Fee)	\$4,500,000
Maximum Fee inclusive of Cost, Schedule, and Interim Milestone Completion Incentive Fee	\$9,000,000